



state senator

**Joe Harrison**

2006 LEGISLATIVE UPDATE

Indiana Senate  
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Indianapolis, IN 46204

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**AGENCY PHONE NUMBERS**

State Information Center	1-800-45-STATE	Housing Finance Authority	1-800-872-0371
State Information TDD (Relay Indiana)	1-800-743-3333	Indiana Dept. of Revenue (state taxes)	317-232-2240
Federal Information Center	1-800-688-9889	Internal Revenue Service (federal taxes)	1-800-829-1040
Indiana House of Representatives	1-800-382-9841	Adult Protective Services	1-800-992-6978
Indiana Senate	1-800-382-9467	Child care hotline	1-888-463-5473
Governor's Office	317-232-4567	Child protective services	1-800-800-5556
Attorney General's Office		Child support inquiries	1-800-840-8757
To sign-up for "No-Call List"	1-888-834-9969	Deaf & Hearing-impaired Services	
Consumer protection	1-800-382-5516		1-800-962-8408 (TDD) or 1-800-743-3333
Indiana Family helpline	1-800-433-0746	Energy Assistance Program	1-800-622-4973, ext. 7015
Home health care hotline	1-800-227-6334	Family & Social Services	1-800-545-7763
Hoosier Healthwise hotline	1-800-889-9949	Food stamps, AFDC, Medicaid	1-800-622-4932
Long-term care complaints	1-800-246-8909	Mental health hotline	1-800-901-1133
Medicare	1-800-MEDICARE (1-800-622-4792)	Medicaid Fraud Control Unit	1-800-382-1039
Senior Health Insurance Program	1-800-452-4800	Social Security	1-800-772-1213
WIC program	1-800-522-0874	Unemployment claims	1-800-437-9136
Housing assistance (Section 8)	1-800-622-4993	Worker's compensation	1-800-824-COMP



**SENATOR JOE HARRISON**

serving district 23: Fountain and Montgomery counties and portions of Boone, Clinton, Warren, and Hendricks counties.

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**Major Moves:  
The Jobs Bill of a Generation**

For years, Indiana has habitually approved almost any road project that is requested with a promise that it will get done "eventually." This resulted in \$2.8 billion of unfunded road projects across the state. With the passage of Major Moves, House Enrolled Act 1008, the General Assembly ensured the state's 10-year road plan will be funded, the Interstate 69 extension will get started, future generations will have money for roads and thousands of jobs will be created across the state.

The crux of the plan — leasing the Indiana Toll Road to private investors — drew attention, praise and criticism in the 10-week legislative session, but in the end, I believe the benefits of the deal outweighed any negatives that were mentioned.

The lease that was ratified through HEA 1008 was a \$3.8 billion agreement between the state and Statewide Mobility Partners (SMP), a Spanish-Australian consortium that operates toll roads all over the world. Supported by business leaders and unions alike, the \$3.8 billion lease and the interest it accrues will pay for the state's road projects, creating — according to some estimates — more than 130,000 jobs. An additional \$150 million will also be distributed to counties for local road projects.

**“HEA 1008 ensures that the state’s 10 year road plan will be funded, the Interstate 69 extension will get started, future generations will have money for roads and thousands of jobs will be created across the state.”**

In exchange for an up-front payment, SMP will operate and collect tolls from the Indiana Toll Road for 75 years. The consortium has also agreed to make improvements to the road — estimated at \$4.4 billion — and fund 25 additional State Troopers and a new state police post along the Interstate. The lease agreement and HEA 1008 dictate that SMP must meet federal standards on items such as traffic flow and snow removal. Indiana also listed its own requirements for maintenance issues such as filling pot holes, removing dead animals, and taking care of other hazards.

In addition to the toll road portion of the law, HEA 1008 also addresses another major road: Interstate 69. The previous timeline for extending I-69 from Indianapolis to Evansville, set by previous administrations, had construction beginning in 2017. That is simply unworkable. Under HEA 1008, work on the long-awaited interstate could start as soon as 2008 and be completed by 2018. Under the plan, the governor could enter into a Public-Private Partnership (P3) to help build I-69 from Evansville to Martinsville as a toll road. However, tolls from Martinsville to Indianapolis must be approved by the legislature. Additionally, if the administration wants the north end of the road to remain in Perry Township in Indianapolis, the General Assembly must also give approval.

Another important part of the deal is a \$500 million Next Generation Trust Fund. Every five years, the state will take the interest the trust fund accrues and deposit it into the Major Moves construction fund. The initial \$500 million, however, will be protected and not spent.

As Governor Mitch Daniels has said, a top-tier economy requires a top-tier infrastructure. Indiana is striving to have an economy that is the envy of the nation, but we can't do so without a road system that also draws envy. Major Moves completes those goals, and I am proud to say I supported it.

**SENATE DISTRICT 23  
GETS \$8 MILLION  
FROM MAJOR MOVES**



Now that Major Moves has passed, it is important that people know what benefits they will see.

The money from the lease will be used to complete the long-awaited upgrades to U.S 31 and improvements to I-465.

Additionally, because of the size of the lease payment, \$150 million will be distributed to counties, cities and towns for local projects. The distribution is based on a formula similar to the distribution of gas tax revenues. The counties I represent will receive the following:

- Boone — \$1,505,466
- Clinton — \$1,307,439
- Fountain — \$952,770
- Hendricks — \$2,188,380
- Montgomery — \$1,384,149
- Warren — \$708,537

As you can see, Major Moves will generate a significant amount of money for our area that will improve the quality of life. I look forward to seeing a lot more orange construction barrels on the streets I represent in the coming years.



# Reverse 911 Saves Lives

On Nov. 6, 2005, a tornado struck southwest Indiana, claiming the lives of 24 and injuring more than 200. Tornado warnings were issued by the National Weather Service 30 minutes before the storm, and tornado sirens went off in Vanderburgh county 10 minutes before touchdown, allowing some residents to reach safety. Unfortunately however, the warnings were mostly unheard, because it was the middle of the night when most people in the storm's path were asleep.

In an effort to provide Hoosiers with a more effective emergency notification system, Senate Enrolled Act 283 creates an emergency telephone notification system intended to warn Hoosiers of impending emergencies.

Better known as "Reverse 911," this automated system calls households and provides residents with a recorded message, notifying them of vital information regarding weather conditions or other emergencies. The recording will inform those in harm's way of what to do, expect or look for. The system will be able to target populations within specific geographic locations. For instance, in the case of a tornado, the system will call households only in the line of the storm.

The Reverse 911 system is also effective in assisting emergency dispatchers in locating individuals who need assistance. In certain instances, callers may not be able to notify, or be willing to inform dispatchers of their location. The system will provide dispatchers with the exact location of callers, enabling the dispatcher to send appropriate emergency assistance.

The money to pay for these services will come from existing 911 fees. Several counties across the state already have hundreds of thousands of dollars in 911 reserve funds that could be tapped in order to pay for a Reverse 911 system.

The Reverse 911 will play a key role in helping communities come together to save lives.

# Telecom Law Will Save Money on Cable Bills

While much of the discussion in this year's session centered on physical infrastructure like roads and bridges, the General Assembly made a historic change in its unseen infrastructure. Through reforms made in House Enrolled Act 1279, Indiana will see lower cable prices, increased competition and a wave of investment in the state.

Experts have called HEA 1279 the most aggressive telecommunications reform in the nation and say it will likely be a model that other states are sure to follow. The bill includes several provisions designed to give Hoosiers access to the best technology at a reasonable price. It contains two major provisions:

**Statewide Video Franchising** — Following the model used in Texas, HEA 1279 creates a streamlined process through which video providers (such as cable companies) can enter a market and compete for customers. Known as statewide video franchising, this process will result in more video competition and lower prices for consumers. Since September, when Texas statewide franchising went into effect, more 120 franchises have been granted to competing companies.

HEA 1279 will eliminate the current virtual monopoly of cable providers and give most Hoosiers a choice in video service. In February, Ball State University's Digital Policy Institute released a study saying Hoosiers could save a total of \$262 million on their cable bills annually as a result of new choices.

**Telephone deregulation** — A recent survey of CEOs in Site Selection Magazine showed that access to high-speed communications is the most important factor in drawing new business development to a particular state. HEA 1279 encourages telephone companies to deploy more high-speed Internet, called broadband, by gradually deregulating basic phone services if broadband is made available. Companies must be able to offer



Senator Harrison speaks on a bill during a legislative session.

high speed Internet to 50 percent of households in any given exchange before they can raise rates in that exchange. Monthly basic rates may increase by only \$1 per year until 2009.

**"Experts have called HEA 1279 the most aggressive telecommunications reform in the nation and say it will likely be a model that other states are sure to follow."**

The new law also contains protection for low-income Hoosiers. HEA 1279 establishes the Indiana "Life Line" program that provides discounted telephone rates to Hoosiers below 150 percent of the federal poverty level. This is a supplement to the federal program, which aids consumers with a household income below 135 percent of the federal poverty level. Consumers will also be protected through a ban on "local measured service," which is the practice of charging for local phone calls by the minute.

This legislation was a rare opportunity to create jobs while lowering prices and improving customer satisfaction. Independent think-tank FreedomWorks has said HEA 1279 will create 20,000 new jobs and \$7 billion in investment in Indiana. And that is an opportunity that can't be passed up.

# SENATE APPROVES REAL PROPERTY TAX RELIEF IN A BIPARTISAN VOTE

As estimates for property tax increases this year came rolling in at the end of 2005, members of the General Assembly thought property taxpayers could use a break from expected increases. This year, HEA 1001 provides that relief by dedicating \$100 million to subsidize property tax bills.

This move could mean that homeowners will see no increase from their 2005 tax bills. Early estimates suggested hikes as high as 12 percent, but most experts thought increases would be around 5 percent. HEA 1001 will keep any increases reasonable, and may flatline many bills.

In addition to providing immediate property tax relief, HEA 1001 sets the stage for a long-term solution to high property tax bills. The new law states that by 2010, property taxes must be capped at 2 percent of assessed value. In order to replace any revenue that could be lost as a result of this move, the General Assembly in future years will have to find a permanent way to replace property tax revenue.

The Senate voted in a bipartisan fashion this year to lower property tax revenue by 20 percent by increasing local income taxes, but



Senator Harrison listens to public testimony in the Senate Pensions and Labor Committee. Harrison serves as the chairman of the committee.

that proposal ultimately did not become law.

HEA 1001 aids property taxpayers, but is also a pro-business law. The legislation phases in a single sales factor tax by 2011. This means payroll and property factors will no longer be used in figuring corporate taxes. With a single sales factor, businesses will no longer be penalized for owning property or having large payrolls in Indiana.

The out-of-state utility services tax will help Indiana utility companies compete with others by subjecting out-of-state utility companies to the same taxes as Indiana companies face.

In the end, HEA 1001 is a very positive move for Hoosier taxpayers and Hoosier businesses.

# Protecting Hoosiers' Property Rights

The right to own property is fundamental to the American way of life. We are all familiar with the concept of "life, liberty, and the pursuit of happiness" set out in our Declaration of Independence. However, at the time the Declaration was issued, many Americans listed such basic God-given human rights as "life, liberty and property."

Last summer, the U.S. Supreme Court issued a ruling that threatens the right to own property. In Kelo v. City of New London, the court said that government may "take" private property for economic development. In other words, as then-Justice Sandra Day O'Connor wrote, "Nothing is to prevent the state from replacing any Motel 6 with a Ritz-Carlton, any home with a shopping mall, or any farm with a factory."

The Supreme Court, however, left a loophole, saying legislatures may further restrict

the use of eminent domain. This year, the General Assembly did exactly that.



Senator Harrison works at his desk on the Senate floor.

Last summer, Indiana created an Eminent Domain Study Committee to look at Indiana's property rights laws to see how they could be improved. Many of their conclusions are now in the form of House Enrolled Act 1010.

Perhaps most importantly, the new law

requires the reason for using eminent domain be something that benefits the public. Thus, eminent domain can be used for a legitimate government purpose-but not simply to increase a local government's tax base.

The new law does several other things, including placing time restrictions on eminent domain so that property owners are not left in limbo for years at a time; requiring just compensation for Hoosier property owners; and mandating good-faith negotiations between the condemnor and the property owner.

When used appropriately, eminent domain is an important tool that can help provide anything from roads to schools for public use. HEA 1010 ensures that this tool is not abused at the expense of Hoosiers' right to own private property.